



JAMES H. "JIM" BROWN
COMMISSIONER OF INSURANCE
STATE OF LOUISIANA

20 37 10214
3-10-1995 11:11 AM
104-11700

November 1, 1995

DIRECTIVE NUMBER 130

RETROSPECTIVE RATING PLANS

IT HAS BEEN BROUGHT TO MY ATTENTION THAT A CLARIFICATION IS NEEDED REGARDING FILINGS NECESSARY FOR RETROSPECTIVE RATING PLANS. RETROSPECTIVE RATING PLANS ARE THOSE PLANS FOR WHICH THE FINAL PREMIUM IS NOT DETERMINED UNTIL AFTER THE END OF THE COVERAGE PERIOD AND IS BASED ON THE INSURED'S OWN LOSS EXPERIENCE, OR OTHER CRITERIA RELATING TO THE CLASS OF BUSINESS, FOR THAT SAME PERIOD.

THEREFORE, I HEREBY ORDER AND DIRECT THAT:

STOCK PROPERTY AND CASUALTY INSURERS WHICH BY LAW MUST MAKE RATE AND RULE FILINGS WITH THE LOUISIANA INSURANCE RATING COMMISSION, MUST SUBMIT RETROSPECTIVE RATING PLANS TO THE LOUISIANA INSURANCE RATING COMMISSION IN THE SAME MANNER AS A RATE OR RULE FILING. THE RETROSPECTIVE RATING PLAN MAY NOT BE IMPLEMENTED UNTIL APPROVED BY THE LOUISIANA INSURANCE RATING COMMISSION. FILINGS TO THE LOUISIANA INSURANCE RATING COMMISSION MUST ADHERE TO ALL LOUISIANA STATUTES AND COMPLY WITH ALL BULLETINS OF THE LOUISIANA INSURANCE RATING COMMISSION. NO RETROSPECTIVE RETURN OF PREMIUM SHALL BE MADE CONTINGENT UPON THE PAYMENT OF RENEWAL PREMIUM ON ANY POLICY.

A handwritten signature in black ink, reading "Jim Brown", is written over a horizontal line.

JAMES H. "JIM" BROWN
COMMISSIONER OF INSURANCE